or other services."⁴⁸¹ We conclude, as did the Virginia Hearing Examiner. that Verizon provides unbundled local loops in accordance with the requirements of section 271 and our rules. ⁴⁸² Our conclusion is based on our review of Verizon's performance for all loop types, which include, as in past section 271 orders, voice grade loops, hot cut provisioning, xDSL-capable loops. digital loops. high capacity loops, and our review of Verizon's processes for line sharing and line splitting. As of the end of June 2002, competitors in Virginia have acquired from Verizon and placed into use approximately 205,000 unbundled loops including about 177,000 stand-alone loops (including DSL loops) and about 27.600 loops provided as part of network element platforms that also include switching and transport elements. ⁴⁸³

- Verizon's loop performance where our review of the record satisfies **us** that Verizon's performance is in compliance with the relevant performance standards established by the New **York PSC**. Instead, we focus our discussion on those areas where the record indicates discrepancies in performance between Verizon and its competitors. In making our assessment, we review performance measurements comparable to those we have relied upon in prior section 271 orders, primarily those associated with measuring the timeliness and quality of loop provisioning and loop maintenance and repair. Parties have generally not raised any issues with respect to any aspect of Verizon's loop performance and our own review of the record shows that Verizon's performance has been satisfactory. Thus, we do not engage in a detailed discussion of Verizon's loop performance." Instead, we focus on several broader policy concerns raised by commenters.
- 140. High Capacity Loops. In its application, Verizon demonstrates that it has provisioned 2,200 high capacity unbundled local loops in Virginia as of June 2002. Verizon's

^{481 47} U.S.C. § 271(c)(2)(B)(iv). The Commission has defined the loop as "a transmission facility between a distribution Frame, or its equivalent, in an incumbent LEC central office, and the network interface device at the customer premises. *Local Competition Firs! Report and Order*. 11 FCC Rcd at 15691

See Virginia Hearing Examiner's Repon at 117

See Verizon LacoutureRuesterholz Reply Decl., para. 4. As of June 2002, Verizon had in service approximately 160,300 stand-alone competitive LEC POTS loops, 2,200 high capacity DS-I loops, 16,700 DSL loops, 3.800 2-wire digital loops and 3,200 line sharing arrangements. Id., paras, 4, 22, 42, 55, 63.

During the first two months of the relevant performance period, April and May 2002, Verizon's performance in Virginia is repond under essentially the same guidelines that the New York PSC approved in December 2000. See Verizon LacoutureRuesterholz Decl., para. II. The Virginia Commission implemented the guidelines adopted by the New York Commission in October 2001. Id In June 2002. Verizon began reponing its performance under these new guidelines. Id.

See Verizon New Jersey Order, 17 FCC Rcd at 12342. para. 137.

See generally Appendix B.

See Verizon LacoutureiRuesterholz Reply Decl., para. 22.

performance data indicate that it provides nondiscriminatory ordering, provisioning. and maintenance services for high capacity unbundled local loops. AT&T, Allegiance, Covad and other commenters do not contend that Verizon fails to meet established performance standards. or has failed to provision these 2,200 high capacity unbundled local loops in a nondiscriminatory manner.

- orders for high capacity loops (e.g., DSI and DS3 loops) under its "no facilities" policy when any necessary facilities are not available and "new construction" is required. For example. AT&T explains that Verizon will deny a competitive LEC's CNE DS-1 order for "no facilities" even when Verizon must only open a cable sheath to sphce a copper loop into an existing apparatus case. In the Pennsylvania, New Jersey, and New Hampshire/Delaware section 271 proceedings. Verizon described its policy and the Commission concluded, based on the limited evidence in the record, that no party rebutted Verizon's showing or articulated a clear violation of the Commission's rules. As we determined in those prior 271 decisions, we conclude that commenters have not rebutted Verizon's showing that it provides high capacity unbundled local loops in a nondiscriminatory manner. We are prepared, however, to pursue appropriate enforcement action if evidence becomes available that Verizon is not fulfilling its obligations under the Act or the Commission's rules to provide unbundled high capacity local loops on just, reasonable, and nondiscriminatory rates, terms, and conditions.
- 142. In addition to raising concerns about Verizon's "no facilities" policy generally, several commenters raise concerns about its application in Virginia and note that the Virginia Hearing Examiner found Verizon's "no facilities" provisioning policy for high capacity loops to be inconsistent with its policy for other types of loops. Ommenters argue that Verizon will provision a voice grade loop to a competitive LEC even if it requires adding a new drop to a

See Verizon Lacouture/Ruesterholz Reply Decl., paras. 23-28: see also Appendix B

See AT&T Comments at 13; Cavalier Comments at 7-10; Covad Comments at 24; Cavalier Reply at 4; US LEC Reply at 10. In addition to these general concerns surrounding Verizon's "no facilities" policy, Cavalier complains that it continually learns of "no facilities" on or near the day of cut-over for a customer. See Cavalier Comments at 13.

See AT&T Comments at 13; see also Allegiance Comments at 6-7

See Verizon New Hampshire/Delaware Order, paras. 1 12-14; Verizon New Jersey Order. 17 FCC Rcd at 12349-50, para. 151; Verizon Pennsylvania Order, 16 FCC Rcd at 17469-70, paras. 91-92.

Because of the lack of sufficient evidence in the record, we do not address here whether an incumbent LEC's refusal to provide high-capacity loops where certain facilities have not been installed is. or is not, a clear violation of the Act or our rules. Such an issue is not properly before us here. To the extent we have not spoken conclusively on that issue in the context of an enforcement proceeding by the time of the *Triennial Review* order, we will address the issue in that proceeding, as well as whether any rule amendments are necessary or appropriate.

See AT&T Comments at 14; Covad Comments at 26; Starpower Comments at 6, 13; NTELOS Comments at 2, 5.

home, but does not do so for a UNE DS-1 loop. 494 Verizon states, however, that it will add a drop wire for both residential POTS loops and high capacity loops, even though it is not required to do so. 495

- 143. Commenters argue that this policy is also discriminatory because. although Verizon may refuse to build the necessary facilities to provision a competitive LEC's UNE order, Verizon would do so to provision its own customer's order. Verizon argues that section 35I and the Commission's rules do not require an incumbent LEC to "build" UNEs that do not already exist. Although we recognize that there is potential tension between an incumbent LEC's nondiscrimination obligation and the limitation of unbundling to already-existing facilities, we cannot find, based on the evidence before us, that Verizon's policy is a facial violation of our existing rules.
- Verizon's evidence demonstrating checklist compliance. **As** we have stated in prior section 271 orders, new interpretive disputes concerning the precise content of an incumbent LEC's obligations to its competitors, disputes that our rules have not yet addressed and that do not involve aper se violation of the Act or our rules, are not appropriately dealt with in the context of a section 271 proceeding.⁴⁹⁸
- 145. Dark Fiber. "Under section 271(c)(2)(B)(ii) of the Communications Act, Verizon must demonstrate that it provides nondiscriminatory access to network elements in

Id. (citing Hearing Examiner's Repon at 116).

See Verizon LacoutureiRuesterholz Reply Decl., para. 38. We note that during April. May and June **2002**, less than one percent of competitive LEC orders were rejected for drop or house and riser reasons. Verizon LacoutureRuesterholz Reply Decl., para. 39.

^{4%} AT&T Comments at 14; Allegiance Comments at 5; Cavalier Comments at 10: Cavalier Reply at 3.

See Verizon LacoutureRuesterholz Reply Decl., para. 30; see also Lener from Ann D. Berkowitz, Project Manager, Federal Regulatory, Verizon, to Marlene H. Dortch. Secretary, Federal Communications Commission, WC Docket No. 02-214 (filed Oct. 1, 2002).

See. e.g., Verizon New Jersey Order, 17 FCC Rcd at 12349. para. 151. We disagree with Allegiance that the Bureau's reiteration of Verizon's unbundling obligations in the Virginia Arbitration Order with respect to multiplexing issues removes this matter from the realm of "new interpretive disputes" not appropriate for resolution in the section 21 context. See Allegiance Comments at 6. The Virginia Arbitration Order simply adopted language to be used in interconnection agreements between Verizon and the arbitration parties. Parties in Virginia may request those service offerings and arrangements. including the installation and adjustment of multiplexing equipment, in interconnection negotiations with Verizon. In the absence of more probative evidence to the contrary, commenters do not persuade us that Verizon's policies and practices concerning the provisioning of high capacity loops expressly violate the Commission's unbundling rules.

Dark fiber is fiber that has not been activated through the connection of the electronic siphotonics that generate. transmit, and/or receive light pulses and therefore make it capable of carrying communications services. **See** *UNE* **Remand Order, 15** FCC Rcd at 3776, paras. 325-30.

accordance with the non-discrimination provisions of section 251(c)(3).⁵⁰⁰ Moreover. our rules specifically include dark fiber within the definition of the loop and transport UNEs that incumbents must make available to competitors pursuant to section 251(c)(3) of the Act.⁵⁰¹ Verizon has demonstrated that it offers dark fiber in Virginia in compliance with the checklist pursuant to a variety of interconnection agreements." Based on the record in this proceeding. we find that Verizon provides dark fiber in Virginia consistent with checklist item 4.⁵⁰³

146. Commenters raise questions concerning three aspects of Verizon's policy on dark fiber: availability, collocation requirements, and location information. Concerning availability. OpenBand argues that Verizon does not provide non-discriminatory access to available in-place. spare fiber facilities that have been left unterminated. We are unable to find that OpenBand's allegation rebuts Verizon's showing of checklist compliance because the Commission's dark fiber rules do not specifically apply to unterminated fiber." NTELOS complains that Verizon requires that the competitive LEC be collocated before ordering dark fiber and. by the time the collocation request is fulfilled. the dark fiber may no longer exist. We rizon responds that it is entering into a trial agreement with Cavalier for the "parallel provisioning" of collocation

⁴⁷ U.S.C. § 271(c)(2)(B)(ii); Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Third Repon and Founh Further Notice of Proposed Rulemaking, 15 FCC Rcd 3696, 3791-95, paras. 205, 209-19 (1999); see also Verizon New Jersey Order, App. C at C-3 ("to determine whether a BOC applicant has met the prerequisites for entry inta the long distance market, the Commission evaluates its compliance with the competitive checklist, as developed in the Commission's local competition rules and orders in effect at the time the application is filed").

⁴⁷ U.S.C. § 251(c)(3); 47 C.F.R. §§51.319(a)(1) & (d)(1)(ii). Dark fiber is analogous to unused copper loop or transport facilities and is physically connected to the incumbent's network and is easily called into service by the incumbent. *UNE Remand Order*, 15 FCC Rcd at 3776, 3843-46, paras. 174,325-30& n.323.

See Verizon LacoutureiRuesterholz Decl., Anach. I. Verizon states that, from July 2001 through July 2002, Verizon has received 61 dark fiber orders in Virginia and has completed all of these orders on time. See Verizon LacoutureiRuesterholz Reply Decl., para. 106.

See UNE Remand Order, 15 FCC Rcd at 3776. para. 174. For the reasons discussed in this section, we also find Verizon in compliance with checklist item 5 (Transport). Verizon's policy is the same as its offering in Vermont and Pennsylvania which the Commission found to be section 27 I-compliant. See Verron Pennsylvania Order, 16 FCC Rcd 17419; see also Verizon LacoutureiRuesterholz Reply Decl., para. 105. Verizon states that, under Verizon's Virginia dark fiber offering, an unbundled dark fiber network element consists of two spare continuous fiber stands (i.e. one pair) that are within an existing fiber optic cable sheath. These fibers are terminated to an accessible terminal but are not connected to any Verizon equipment used or that can be used to transmit and receive telecommunications traffic. See Verizon Lacouture/Ruesterholz Reply Decl., para. 105. Verizon argues that it is not required to provide access to dark fiber where it is not already terminated at an accessible terminal. fd., para. 107.

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OpenBand Comments at 7; see also Cavalier Comments at 18

⁵⁰⁵ UNE Remand Order, 15 FCC Rcd at 3776, 3843-46, paras. 174, 325-30

NTELOS Comments at 8.

arrangements and unbundled interoffice facility dark fiber in Virginia." Verizon and Cavalier have agreed to amend their interconnection agreements to reflect the availability of the parallel provisioning option." The Commission's rules do not directly address a competing carrier's ability to demand parallel provisioning of collocation arrangements and unbundled dark fiber. Absent evidence that Verizon has engaged in bad faith in conducting the trial, we find the trial to be a reasonable solution in evaluating Verizon's compliance with checklist item four.

147. Regarding location information, commenters complain about Verizon's practice of only informing a competitive LEC whether dark fiber is available between two points on its network if the competitor inquires about a particular point-to-point route regardless of whether an alternative route may be available through intermediate offices. Specifically, WorldCom asserts that Verizon has to alter its ordering and provisioning procedures to meet its requirement to make dark fiber available when it is routed through intermediate offices, as required by the *VirginiaArbitration Order.* As previously stated. in response to the *VirginiaArbitration Order*, Verizon has included provisions that provide for routing of dark fiber through intermediate offices in the agreements entered into with AT&T and WorldCom. Verizon's arbitrated agreements with WorldCom and AT&T are now effective and, pursuant to those agreements, Verizon will determine if dark fiber is available between particular offices through a direct route or through intermediate offices. Verizon notes further that it already has

See Verizon Lacouture/Ruesterholz Reply Decl., para. 109. The trial, which is nearing completion, is designed to develop new processes, procedures, and system modifications so that. shortly after receipt of a collocation application, Verizon can accept and partially provision an order for unbundled dark fiber. *Id.* Apparently. Cavalier has submitted nearly 130 dark fiber "first step" orders pursuant to this trial and Verizon has already completed about 100 of them. See Verizon Lacouture/Ruesterholz Reply Decl., para. 109

Verizon Lacouture/Ruesterholz Reply Decl., para. 109. Once the agreements are amended, this new provisioning option will be offered to other carriers through interconnection agreement amendments, as necessary *Id*

OpenBand Comments at 11; Cavalier Comments at 18; Covad Comments at 29; NTELOS Comments at 8

WorldCom Comments at 14.

Verizon Lacouture/Ruesterholz Reply Decl., para. 112

As discussed above, we find that Verizon satisfies section 271(c)(1)(A) which requires Verizon to have entered into one or more interconnection agreements when its application was filed. Because the interconnection agreement between Verizon and WorldCom is now effective, the issue raised by commenters regarding the lack of dark fiber location information is now moot because that issue was resolved pursuant to the terms of the agreement.

Verizon Virginia Reply at 26; AT&T Reply at 23-24. Verizon states that now that these agreements are signed. they will be available for adoption by other competitive LECs in Virginia. See Verizon Lacouture/Ruesterholz Reply Decl., at 112. See also id. at 110. At the section 271 hearings before the Virginia Commission, Verizon apparently offered to provide dark fiber maps to any requesting competitive LEC. but refused to provide the maps to Covad arguing that they are proprietary See Covad Comments at 30. We note that this is the subject of an ongoing dispute between the panies. Verizon indicates, however, that if Covad wants to obtain these Serving Wire Center fiber layout maps. it can negotiate provisions to make them available in the interconnection agreement it is now negotiating with Verizon. See Verizon Lacouture/Ruesterholz Reply Decl., para. 111

experience in routing dark fiber through intermediate offices in other states. including Maine, Massachusetts, New Hampshire and New Jersey. Verizon states it will be able to implement the same practices in Virginia now that its interconnection agreements are effective.⁵¹⁴ As a result. we find that Verizon is operationally ready in Virginia to make dark fiber available when it is routed through intermediate offices. We also note that while competitive LECs can make a dark fiber inquiry, they also have access to Serving Wire Center fiber layout maps⁵¹⁵ and Field Surveys to locate available dark fiber.⁵¹⁶

residential lines per month because it cannot gain unbundled access to loops served by IDLC. ⁵¹⁷ Cavalier lacks such access because it is not technically feasible to unbundle an IDLC loop. ⁵¹⁸ Nevertheless, Verizon provides unbundled loops where the customer is served by IDLC by using spare copper facilities at the terminal or by performing a line station transfer to make spare copper facilities available." Although this solution is not universally available, Verizon contends that only a small percentage of loops in Virginia, less than 1.5 percent, are served by IDLC facilities where no alternative copper facilities are available. ⁵²⁰ Moreover, the scope of the problem will only decrease over time because Verizon provides additional copper facilities and Universal Digital Loop Carrier (UDLC) facilities when it is time to add more facilities to an outside plant terminal that has reached capacity. ⁵²¹ In light of **the** limited scope of this problem, we find that Verizon's procedures to search for spare copper facilities when a customer is served

Verizon Lacouture/Ruesterholz Reply Decl., para. 114

Serving Wire Center fiber layout maps show the streets within the wire center where there are existing fiber cable sheaths. See Verizon Lacouture/Ruesterholz Decl., para. 237. These maps identify all fiber in Verizon's network, however, and do not indicate whether the fiber is lit or dark because that information changes on almost a daily basis. See Verizon LacoutureiRuesterholz Reply Decl., para. 110-11. If a dark fiber inquiry indicates that dark fiber is available, competitive LECs may order an optional Field Survey prior to submitting an Access Service Request to verify the availability of spare fiber pairs and to ascertain the dark fiber's current transmission characteristics. If a dark fiber inquiry indicates that dark fiber is not available, competitive LECs may order a Field Survey to have Verizon dispatch technicians to verify Verizon's inventory records. See Verizon LacoutureiRuesterholz Decl., para. 237.

See Verizon Lacouture/Ruesterholz Reply Decl., para. 110

Cavalier Comments at I. Verizon argues that the number of rejected orders represents a very small percentage of Cavalier's monthly POTS loop orders. *See* Verizon Virginia Reply at *19;* Verizon Lacouture/Ruesterholz Reply Decl., para. 15. Verizon also states that Cavalier does not lose the opportunity to serve these customers because they could still be served through resale or UNE-P. *See* Verizon Lacouture/Ruesterholz Reply Decl., para. 15.

Verizon Lacouture/Ruesterholz Reply Decl., para. 12.

⁵¹⁹ See Verizon LacoutureiRuesterholz Reply Decl., para. 13

See Verizon Lacouture/Ruesterholz Reply Decl., para. 14.

⁵²¹ Id

by an IDLC loop *are* reasonable and the allegations raised do not warrant a finding of checklist noncompliance.

- 149. *xDSL Loops*. Cavalier complains that Verizon refuses to provide loops over 18,000 feet to competing carriers seeking to offer xDSL service even when competitive LECs' equipment is capable of offering DSL services at those loop lengths." Verizon clarifies that it does offer such loops through its loop conditioning offerings. Although DSL-capable loops typically contain load coils that are necessary for the provision of voice service, Verizon states that it will remove those load coils for a competitive LEC pursuant to an interconnection agreement and subject to applicable loop conditioning charges." In the absence of additional evidence to the contrary, we find that Verizon's offerings for the provision of DSL-capable loops over 18,000 feet *are* reasonable, and that Cavalier's allegations are insufficient to rebut Verizon's evidence demonstrating checklist compliance.
- provide access to sub-loops without an intermediary device at the network interface device (NID) and the Feeder Distribution Interface (FDI), as required by the *VirginiaArbitration Order*." WorldCom claims that Verizon will have to establish new procedures for competitive carriers to coordinate with Verizon to access the sub-loop and that Verizon will not "instantaneously" be able to provide such access. WorldCom claims that Verizon has not asked WorldCom to propose a method for accessing subloops without an intermediary device and that Verizon has not delineated procedures foi doing so." Verizon states that no competing carrier has sought access to sub-loops in Virginia, either with or without an intermediate device, as of October 15, 2002. We find that WorldCom's unsubstantiated allegations that Verizon will be unable, if asked, to provide access to sub-loops as required by its interconnection agreements does not warrant a finding of checklist noncompliance.
- 151. Line Sharing and Line Splitting. Covad argues that Verizon discriminates against competitors by refusing to provision UNE line shared loops for customers served by resale voice

⁵²² Cavalier Comments at 11

Verizon Virginia Reply at 19, n.17; Verizon Lacourure/Ruesterholz Reply Decl., para. 50

⁵²⁴ Id.

WorldCom Comments at 12. This requirement is memorialized in the interconnection agreement between WorldCom and Verizon, approved by the Bureau in the *Virginia Arbitration Approval Order*.

⁵²⁶ *Id.* at 13.

Worldcorn Oct. I7 Ex Parte Letter at 3

Letter from Ann D. Berkowitz, Project Manager-Federal Affairs, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 02-214 (filed Oct. 22,2002) (Verizon Oct. 22 Operational Readiness Ex **Porte** Letter), at 3.

providers. Covad complains that when it submits orders for UNE line shared loops for customers served by resellers of Verizon's voice service, Verizon refuses to provision the line sharing UNE, returning a rejection notice indicating "third party voice." We disagree with Covad that Verizon is obligated to provide access to the high frequency portion of the loop when the customer's voice service is being provided by a reseller, and not by Verizon. Our rules do not require incumbent LECs to provide access to the high frequency portion of the loop when the incumbent LEC is not providing voice service over that loop." We disagree with Covad that Verizon is still considered the voice provider when a reseller is providing resold voice service to an end user customer. We agree, therefore, with Verizon that it is not required to provide access to the high frequency portion of the loop under these circumstances. We note that Verizon does permit the resale of its DSL service over resold voice lines so that customers purchasing resold voice are able to obtain DSL services from a provider other than Verizon.

E. Checklist item 8 - White Pages

I. Background

152. Section 271(c)(2)(B)(viii) of the Act requires a BOC to provide "[w]hite page directory listings for customers of the other carrier's telephone exchange service." The Commission has previously found that a BOC satisfies the requirements of checklist item 8 by demonstrating that it: (1) provides nondiscriminatory appearance and integration of white page directory listings to competitive LECs' customers: and (2) provides white page listings for

⁵²⁹ Covad Comments at 27.

⁵³⁰ *id*.

See Deployment of Wireline Services OfferingAdvanced Telecommunications Capability and Implementation & the Local Competition Provisions of the Telecommunications Acr of 1996, Third Repon and Order in CC Doc. No. 98-147 and Fourth Report and Order in CC Doc. No. 96-98. 14 FCC Rcd 20912 (1999) (Line Sharing Order), para. 72; see also Deployment & Wireline Services Offering Advanced Telecommunications Capability, Third Report and Order on Reconsideration in CC Docket No. 98-147, Fourth Repon and Order on Reconsideration in CC Docket No. 96-98, Third Further Notice of Proposed Rulemaking in CC Docket No. 98-147, Sixth Further Notice of Proposed Rulemaking in CC Docket No. 98-147, Sixth Further Notice of Proposed Rulemaking in CC Docket No. 96-98, 16 FCC Rcd 2101 (2001) (Line Sharing Reconsideration Order), para. 17. The Commission is also currently reconsidering the extent of an incumbent's obligation to provide access to certain unbundled network elements in its Triennial Review

Verizon Lacouture/Ruesterholz Reply Decl., para. 71

See Verizon Lacouture/Ruesterholz Reply Decl., para. 71. Competitive LECs serving their customers through resold voice can also convert their resold lines to UNE-platform and then engage in line splitting with a data competitive LEC. id.

⁵³⁴ 47 U.S.C. § 271(c)(2)(B)(viii).

competitors' customers with the same accuracy and reliability that it provides its own customers.⁵³⁵

2. Discussion

Based on the evidence in the record, we conclude, as did the Virginia Hearing Examiner, 536 that Verizon satisfies checklist item 8. A number of parties contend that Verizon does not provide directory listings to competing carriers with the same accuracy and reliability that it provides its own customers." Specifically, commenters argue that Verizon processing errors lead to lost and incorrect directory listings and that the listing verification process that Verizon has put in place in Virginia is inconsistent with the demands of section 271. 538 Commenters' concerns are shared, to a limited degree. by the Department of Justice and the Virginia Hearing Examiner, both of which express concern with Verizon's ability to provide non-discriminatory access to white pages. 559 Because white pages listings cannot be changed for an entire year after a directory has been published, we recognize that errors or missing listings can have a significant impact on a carrier's service relationship with its end user customers. 540 Nevertheless, we recognize that producing error-free directory listings can be a complex endeavor, especially when the listings involve more customized features or instructions or when the listings are modified multiple times throughout the year leading to publication.⁵⁴¹ We take these factors into consideration in assessing Verizon's compliance in providing directory listings in a nondiscriminatory manner. As we describe more fully below, we find that Verizon has already implemented numerous system improvements that demonstrate Verizon's ability to provide nondiscriminatory access to directory listings. Although we recognize, as does Verizon.

Second BellSouth Louisiana Order, 13 FCC Rcd at 20748. para. 255

Virginia Hearing Examiner's Report at 147

Verizon explains that it "provides non-discriminatory appearance and integration of white pages directory listings to customers of CLECs." Verizon Lacouture/Ruesterholz Decl., para. 318. We have no reason to doubt this contention, especially in **light** of the fact that no parties challenge Verizon's claim.

See generally Cavalier Comments at 21; NTELOS Comments at 10; AT&T Comments at 11

Department of Justice Virginia Evaluation at 7-8; Virginia Hearing Examiner's Report at **144-46**

Department of Justice Virginia Evaluation at 9: Virginia Hearing Examiner's Repon at 146

Verizon states that there are many factors involved in the production of the final directory listing. Simple listings consist of name, address and telephone number only. Other alternatives are available which make the listing more complex, such as business listings with multiple indented layers under a main heading. Additionally there are several types of listings, for example foreign listings, alternate call listings, multiple name listings, as well as many other variations. This directory listing process can be further complicated depending upon the method **of** entry the competitive LEC **is** using to provide service. In resale or **UNE** Platform cases, Verizon supplies **the** dialtone and therefore is always aware of the telephone number associated with the account. In cases where service is provided using unbundled standalone loops, the competitive LEC provides the dial tone and the number out if its own switch. Verizon does not know what the telephone number will be and therefore cannot automatically arrange for the listing. Verizon McLean/Wierzbicki/Webster Decl., paras. 99-101.

that there have been serious problems in the past, we find that Verizon has taken the necessary steps to mitigate the problems and has demonstrated a commitment to **fix** any unanticipated future problems that may arise.'''

In order to better understand this matter, we begin with a brief description of Verizon's process for handling requests for directory listings from competing carriers. Directory listing information⁵⁴³ is submitted to Verizon by competitive LECs on a local service request (LSR) using one of Verizon's application to application interfaces, such as the Electronic Data Interchange (EDI), or Web-based Graphical User Interface (Web GUI). 544 These applications are the same interfaces used by carriers to submit service orders. The LSR enters through Verizon's gateway systems and the directory listing information is translated, either manually or on a flowthrough basis, from the LSR into internal Verizon service orders generated via the service order processor. 545 Each business day, completed service orders are transmitted from the service order processor to the directory publishing unit, Verizon Information Systems (VIS). 546 VIS translates that information into a format used by its own internal systems and ultimately used to produce the actual directory listings for publication. Thirty days prior to the closing of a directory, VIS produces and sends listing verification reports (LVRs) to each competitive LEC.547 The LVRs are available in paper format or electronically.⁵⁴⁸ Competitive LECs may review the LVR and compare it against their own internal records to verify accuracy. During the next 30 days, competitive LECs may submit changes to VIS to ensure final accuracy.

The Department of Justice notes that some of these improvements were too recent for it to determine compliance with section **271.** Department of Justice Virginia Evaluation at 9. Should Verizon's performance deteriorate with respect to these improvements, we may take appropriate enforcement action.

Verizon provides a basic single line listing in the appropriate Verizon White Pages directory for each customer served by the competitive LEC. These listings include the competitive LEC's customer name, address, and telephone number and are identical to those provided to Verizon's customers. See Lacouture/Ruesterholz Decl., para. 316. Verizon also provides a competitive LEC's business customers with a basic Yellow Page listing, at no charge. Although Cavalier raises concerns regarding its inability to process changes to business customers Yellow Pages directory listings, we note that Yellow Pages are not relevant to our examination of checklist compliance. *See Second BellSouth Louisiana Order*, 13 FCC Rcd at 20748. para, 255.

Verizon McLean/Wierzbicki/Webster Decl., para. 31

Verizon McLeadWierzbickilWebster Decl., para. 98.

Verizon McLeadWierzbickilWebster Decl., para. 98.

Among other things, the reports in the LVR help the competitive LEC to verify the type of listing, name, address, listed number, class of service, directory appearance, and check for typographical errors before the listing is sent to the directory publisher. Verizon McLean/Wierzbickj/Webster Decl., para. 109.

Verizon McLean/Wierzbicki/Webster Decl., para. 109; Verizon McLean/Wierzbicki/Webster Reply Decl., para. 42.

a. **Processing Errors**

155. Competitors contend that Verizon has not taken adequate steps to ensure that the customer information remains accurate as it is transferred internally between various internal Verizon systems prior to reaching VIS. According to these parties, at some point between the submission of the LSR by the competitive LEC, and Verizon's production of the LVR. records may disappear or be modified in error." These occurrences can be exacerbated because upon discovery of an omission or error, competitive LECs must re-enter the listing information and generate a new service order, despite earlier confirmation notices sent by Verizon." Competitors contend that this additional step unnecessarily increases costs by requiring competing carriers to invest in extra manpower to perform quality assurance checks on Verizon's product." Without this re-check, however, competing carriers contend that thousands of customers potentially could be omitted from the directory, or submitted incorrectly." In essence. commenters question whether Verizon has implemented proper internal safeguards to prevent processing errors associated with directory listings.

156. **As** mentioned above, although the record indicates that Verizon has had difficulties **in** producing accurate and reliable directory listings in the recent past, we find that Verizon has. prior to having filed its application, taken steps necessary to remedy these problems and is currently providing directory listings on a nondiscriminatory basis. Specifically Verizon has: (1) instituted a quality verification check on all LSRs manually adjusted by Verizon; (2) performed several system modifications to improve accuracy and flow-through of directory listing LSRs; (3) implemented measure OR 6-04 to measure the accuracy of manual entries performed by Verizon; (4) provided more accurate and accessible LVRs to the competitive LECs; and (5) provided competitive LECs with educational opportunities regarding submission of directory listing LSRs. We discuss each of these measures in more detail below.

Cavalier Comments at 21-22; NTELOS Comments at 10; AT&T Comments at 16.

Cavalier Comments at 25; NTELOS Comments at 11; Letter from Amy Alvarez, District Manager, Federal Government Affairs, AT&T, to Marlene H. Donch. Secretary, Federal Communications Commission, WC Docket No, 02-214 (tiled Sept. 12, 2002)(AT&T Sept. 12 White Pages Ex Purre Letter) at 10.

Cavalier Comments at 25; NTELOS Comments at 10.

⁵⁵² Cavalier Comments at **26**; AT&T Reply at 15

Potentially, the competitive LEC could lose customers because they perceive the competitive LEC to be fully responsible for their services, regardless of the fact that some errors are the result of Verizon's actions. Cavalier Comments at **26-27.** Competitive LECs state that this process is most severe and anti-competitive because the problems cannot be corrected for the period of a year when the next directory listing is produced. AT&T Comments at 16. In addition, Cavalier contends this puts the competitive LEC at a disadvantage, and Verizon may win hack the customers thus giving them an unfair advantage and little incentive to provide accurate directory listings. Cavalier Comments at 27. See generally Cavalier Sept. 20 Ex Parte Letter.

- 157. Quality Verification Checks. Over the course of the last year, Verizon has taken several steps to avoid errors associated with manual processing by implementation of a quality verification process for manually processed directory listing orders and additional system modifications." Since October of 2001, Verizon has implemented an additional check of all "listing affecting" records that are manually entered by the National Market Center to ensure that information obtained in the LSR matches information that was keyed into the service order processor. Specifically, each directory listing request that requires manual processing is given an additional level of review prior to publication to ensure that the information contained in the directory listing order matches the information formatted on the LSR. Upon review, if discrepancies are detected a Verizon representative corrects the service order prior to sending it to VIS. Sec. 10.
- 158. System Modifications and Improved Now-Through. In addition to the verification process. Verizon has implemented a system fix to reduce the possibility of human error when a competitive LEC is conducting a migration of a Verizon retail end user, resale customer or UNE-Platform customer. Specifically, in February 2002, Verizon implemented changes to the End User Retail Listing (ERL) field which is designed to prevent errors in the manual modification of a directory listing. Prior to these system changes, the ERL field could only be used on full migrations where the listing was either to be kept "as is," to change completely, or to be deleted. The functionality of the ERL field now has been modified to be used on partial migrations in addition to full migrations and to allow competitive LECs to provide further instructions for all listings that are associated with the services to be migrated by making an indication in the ERL field. This modification expands the functionality of the ERL field and allows competitive LECs to have more control over the listings of their customers, as well as ensures that proper instructions are given to Verizon regarding the submission of a directory listing LSR. See

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Vrrizon Virginia Reply at 31-32; Verizon McLean/Wierzbicki/Webster Reply Decl., para. 33.

Verizon McLeanlWierzbickiiWebster Decl., para. 107.

Verizon McLean/Wierzbicki/Webster Reply Decl., para. 37.

Veriron McLeanlWierzbickiiWebster Reply Decl., para. 34

The ERL field is designed to ensure that competitive LECs need not restate the entire directory listing information on an LSR. Verizon McLean/Wierzbicki/Webster Decl., para. 98. In the third quarter of 2001, a change request related to listing migration was opened in the Change Management Process. Verizon, together with the competitive LECs collaborated on changes to expand the function of the ERL field and to improve upon the directory listing process. These collaborative changes were implemented in the February 2002 release. Verizon McLean/Wierzbicki/Webster Reply Decl., para. 34.

Verizon McLean/Wierzbicki/Webster Reply Decl., paras. 33-35. With this field expansion, competitive LECs were given additional options of "positive reporting" of directory listings or "end state reporting." "Positive reporting" verifies the listing in the following ways: move the listing as is, delete, change. "End state reporting" allows competitive LECs to specify how the listing will look after the migration. 1d. at 35

Verizon McLean/Wierzbicki/Webster Reply Decl., para. 33.

- In addition, since the time of the February 2002 release, flow-through of competitive LEC stand alone directory listings orders from the LSR to the VIS database has increased dramatically. From February to July 2002, flow-through ranged from 75 percent to 90 percent, as compared to the 35 percent flow-through rate in January. 561 As a result of better flow through there has been a significant decrease in pre-production directory errors. In 2001. Cavalier had over 7,000 pre-production listing errors in the Richmond directory. As of September 4,2002, that figure has dropped to 1,392 for Cavalier customers in the Richmond Directory, and according to Verizon, this figure represents a decrease of nearly 80 percent in the number of pre-production errors as compared to the Cavalier 2001 LVR for Richmond. 562 Additionally, the South Harnpton Roads directory decreased in pre-publication errors as reported by Cavalier from 5.857 in 2001, to 2,967 in 2002, a decrease in the error rate of approximately 50 percent." While the ERL field modifications have shown tangible success, Verizon has continued to address specific systems issues as they arise. For example, Venzon recently discovered that incorrect coding in the flow-through programming had caused certain listings to not match what was submitted on the LSR.⁵⁶⁴ On July 24,2002, Verizon implemented a software fix to correct the problem that affected stand-alone listing LSRs and some directory listings associated with loop accounts.565
- 160. Measure OR 6-04 and Special Study. In the same time frame as the ERL field modification, Verizon implemented measure OR 6-04, a Carrier-to-Carrier measure tracking the accuracy of manual entries performed by the National Market Center (NMC). This measure consists of a random sample of LSRs that affect directory listings and makes a comparison between the LSR and the service order. Although, according to Verizon, there can be valid reasons for discrepancies between the VIS listing and a service order due to subsequent service order activity, or a new listing being added when the previous listing has not yet been removed by the carrier upon disconnection. Verizon points out that both the rate of discrepancy and the

Verizon Virginia Reply at 32.

The Richmond directory closed on September 13. Verizon McLeanlWierzbickiiWebster Reply Decl., para. 40. Verizon states that its directory listings contain more than 300,000 entries for competitive LECs, and over 55.000 entries for resellers. Verizon Aug. 28 OSS/White Pages Ex Purre Letter Attach. at 14.

Verizon McLean/Wierzbicki/Webster Reply Decl., para. 40.

Verizon McLean/Wierzbicki/Webster Decl., para. 118

Verizon performed an additional software fix on **August** 1, 1002. when it discovered that listings could potentially be incorrectly filed with disconnect LSRs for UNE loops. Verizon McLeaniWierzbickiiWebster Reply Decl., para. 45. Verizon has identified approximately 300 affected LSRs in Virginia and is working with competitive LECs to ensure that corrective service orders are processed prior to the close of the directory listings. **Id**

Verizon McLean/Wierzbicki/Webster Reply Decl., para. 38

Verizon McLean/Wierzbicki/Webster Reply Decl., para. 38

Verizon McLean/Wierzbicki/Webster Decl., para. 114

Verizon correction rate are decreasing, thus showing the effect of the improvements to the systems and processes.⁵⁶⁹

LSR to the service order and not the service order to the VIS. For this reason, some parties suggest that the Commission should not rely on measure OR 6-04 because it is an incomplete measure. We note, however, that Verizon instituted a special six month study on the latter half of the directory listing submission process that compared the accuracy between the service order information and the data contained in the VIS systems. Because the information contained in VIS is the same information used to generate the LVR, Verizon's special study serves as a double check of the LVR. Specifically, the special study followed the randomly selected local service requests through the final process of entry into the VIS database. And confirms that the information contained in the VIS database matches the information on the service order submitted by Verizon (which, as discussed above was subject to the quality verification check to ensure it matches the LSR submitted by the competitive LEC). Using the randomly sampled service orders from the OR 6-04 metric, the results show that the match rate for information

See Appendix B, OR 6-04-1030 (% Accuracy – Other Directory Listing Orders). Verizon states that upon further review of Cavalier's reponed discrepancies in the 2002 LVR, the ratio of discrepancies for the South Hampton Roads directory was 9.96% (3.09% required Verizon corrections); 5.87% for Petersburg (2.48% required Verizon corrections); and 2.89% as of September 4, 2002. McLean/Wierzbicki/Webster Reply Decl., para. 39. See also Id. at 40. Verizon reported that it has received a total of I6 post-production complaints for directory listings. I3 From Verizon customers, and 3 from competitive LEC customers. Verizon Sept. 25 OSS/White Pages Ex Porte Letter at 9. AT&T contends that Verizon's comparison demonstrates a "large discrepancy" between retail and wholesale post-publication directory listings error rates. Letter from Amy Alvarez, District Manager, Federal Government Affairs, AT&T, to Marlene H. Dortch, Secretary, Federal Communications Commission. WC Docket No, 02-214 (filed Oct. 7,2002) (AT&T Oct. 7 Loops/White Pages/VA SCC Ex Porte Letter) at 6: see also Letter from Alan M. Shoer, Assistant General Counsel, Cavalier Telephone, LLC, to Marlene H. Donch. Secretary, Federal Communications Commission, WC Docket No. 02-214 (tiled Sept. 21, 2002). We are unconvinced that the data supplied by Verizon supports such a conclusion. Unlike performance metrics that rely on formal business rules to establish specifically what data points are included and excluded from measurement, the data filed by Verizon comparing retail and wholesale post-publication directory listings errors is informal and difficult to validate. As such, we do not rely on Verizon's comparison of retail and wholesale errors in finding that Verizon complies with checklist item 8.

See generally Cavalier Reply at 6; AT&T Reply at 15

Verizon Mclean/Wierzbicki/Webster Decl., para. 114.

Verizon Mclean/Wierzbicki/Webster Decl., para. 114.

Verizon Mclean/Wierzbicki/Webster Reply Decl., para. 38.

Using the sample of service orders from the OR-6-04 metric, the information from the service orders that were entered into Verizon's service order processor was compared to the information updated in the VIS systems. The VIS system generates both the LVR and the final directory listings for publication. In July, the match rate of the service orders to the information in the VIS database was 99.26%. Verizon Information Services has resolved the remaining .74% (3 service orders). Mclean/Wierzbicki/Webster Reply Declaration para. 38.

contained in the VIS systems was 96 percent in April 2002, 99.5 percent in May 2002. **97.9** percent in June 2002, and 99.26 percent in July 2002. 575

- 162. **Listing VerificationProcess.** In addition to the improvement Verizon has made to ensure accuracy and reliability as directory listing requests make their way through Verizon's internal processes, Verizon provides competitive LECs with an LVR prior to the conclusion of a directory, so that each competitive LEC can conduct a review of its listings and make necessary adjustments prior to the book being **published**.⁵⁷⁶ Among other things, the reports in the LVR help the competitive LEC to verify the type of listing, name, address, listed number, class of service, directory appearance, and check for typographical errors before the listing is sent to the directory publisher."
- 363. Prior to August I. 2002, the LVR was sent in document form to competitive LECs 30 business days prior *to* the service order close date for information to be included in the print directory.⁵⁷⁸ Competitors complained that it was a cumbersome paper report that required "stare and compare" to review listing accuracy.⁵⁷⁹ In addition, the LVR auditing process was viewed as an unmanageable and manually intensive process.⁵⁸⁰ In response to competitors' concerns, Verizon made available, on August 1, 2002, an electronic form of the LVR which, unlike the old format, can be imported into a database, and is sortable by various fields to ease in reviewing the accuracy of a competitive LECs' listings.⁵⁸¹ At this time, there have been requests for electronic LVRs.⁵⁸²
- 164. *Directory Listings Workshops*. Finally, since January 2001, Verizon has conducted several education workshops and training sessions specifically designed to educate and assist competitive LECs in the submission of accurate directory listing LSRs.⁵⁸³ These workshops presented a variety of topics, including an overview of the directory listing process, as well as special training on caption listings, foreign listings, additional listings and 800 service

Verizon McLean/Wierzbicki/Webster Decl., para. 14; Verizon McLean/Wierzbicki/Webster Reply Decl., para. 38.

Verizon McLean/Wierzbicki/Webster Decl., para. 109.

Verizon McLeadWierzbickilWebster Decl., para. 109.

Verizon McLean/Wierzbicki/Webster Decl., para. 109.

Verizon McLean/Wierzbicki/Webster Reply Decl., para. 42

Virginia Hearing Examiner's Repon at 139: Cavalier Comments at 25: NTELOS Comments at 10.

Verizon McLean/Wierzbicki/Webster Reply Decl., para. 42

Verizon McLean/Wierzbicki/Webster Reply Decl., para. 42. These seven requests represent a region-wide total.

Verizon Virginia Application at 62.

listings." Further, on its wholesale website, Verizon provides competitive LECs with extensive directory listing product documentation, as well as procedures for creating customer's directory listings. In the event that the competitive LECs have experienced problems with submitting directory listing requests, they can contact Verizon's Wholesale Customer Care Center. or *the* Customer Inquiry Response Team for assistance. See

- 165. We find that the steps taken by Verizon are reasonable actions intended to assure an improvement in the quality of **its** directory listings. We conclude that Verizon provides sufficient tools and training for competitive LECs to review and correct errors in their directory listings prior to publication. In addition, it appears that the system modifications and processing changes have substantially increased the accuracy of the listings and significantly reduced the number of pre-production errors.⁵⁸⁷ Accordingly we find that Verizon satisfies the requirements of checklist item 8.
- 166. Finally, we take comfort in the Virginia Commission's active and continued oversight on this issue through a continuing examination of Verizon's directory listings processes as well as the development of additional metrics to better evaluate the provisioning of directory listings. This process should lead to even further improvements in this area and continue the trend in lowering the directory listing error rate.

b. Use of LVR Process

167. A number of parties also contend that the LVR process is inherently discriminatory. Specifically, Cavalier, NTELOS, and AT&T allege that the LVR is cumbersome. inaccurate, and riddled with problems. As part of the verification process, if some of a competitive LECs' listings did not make it to the VIS database or were entered incorrectly, the competitor must check Verizon's inputs for accuracy and omissions, then reenter the listing information. Even with this additional level of review, these parties claim that errors still occur in the final published directory. This process of re-submitting listings requires competitive

Verizon McLeanlWierzbickiiWebster Decl., para. III

Verizon McLean/Wierzbicki/Webster Decl., para. 110.

Verizon McLean/Wierzbicki/Webster Decl., para. 110.

Verizon Mclean/Wierzbicki/Webster Reply Decl., para. 40

Virginia Hearing Examiner's Report at 145-47.

Cavalier Comments at 25; NTELOS Comments at 10

Cavalier states that in the most recent Richmond directory, there were **34** errors attributable to Verizon in the final book, and **8** errors attributable to Cavalier. Cavalier Comments at 26. Cavalier states that in the current Richmond LVR (which closed September 13,2002) contains **R95** errors so far. Cavalier Comments at 22. NTELOS argues that of its 750 listings in the Staunton LVR, 10% were inaccurate, and "several" NTELOS customers were totally omined from the directory despite receiving confirmed directory orders. NTELOS Comments at 11.

LECs to dedicate extra staff and resources to resolve problems that are not seen by the competitive LECs as their responsibility.⁵⁹¹ In essence, these parties argue that Verizon has forced them to undergo quality checks that should be performed by Verizon itself.⁵⁹² In particular, AT&T contends that it is Verizon's responsibility as a provider of OSS to ensure that its directory listing offering is **a** quality **product**.⁵⁹³

described above, Verizon has taken a number of steps to improve its o w internal accuracy and reliability issues. Second, we agree with Verizon that directory listings, especially those involving business customers, potentially introduce additional layers of complexity to the process that can impact accuracy and reliability. ⁵⁹⁴ We believe the availability of the LVR affords a competitor the opportunity to review its listings before publication, and further improves the accuracy of directory listings. The LVR is only one additional tool that Verizon makes available as an option to competing carriers. ⁵⁹⁵ In other words, the creation of the LVR has not been Verizon's only response to the problem. Finally, we note that the Commission does not assess checklist compliance by examining individual aspects of a BOCs showing in isolation. Rather, it has been the Commission's precedent to review checklist items based on the totality of the circumstances. ⁵⁹⁶ In light of the various improvements that Verizon has made to its directory listings process, along with the fact that the LVR is an optional tool, we conclude that Verizon's use of the process is not inherently discriminatory.

c. Other Issues

169. Alpha/Numeric Listing Identifiers (ALI) Codes. Verizon uses industry standard ALl codes for the purpose of tracking multiple listings within the same billing account with its own unique identifier for each listing." Upon request. Verizon provides competitive LECs with

Cavalier Comments at 26; AT&T Sept. I2 White Pages Ex Parte Letter, Attach. at 5.

AT&T argues that it is Verizon's responsibility as providers of OSS to ensure that their directory listings products *are* correct. AT&T Reply at 15.

⁵⁹³ AT&T Reply at 15

Verizon McLean/Wierzbicki/Webster Decl., paras. 99-101

AT&T contends that Verizon does not use the LVR for its retail customers. and therefore AT&T believes that Veriron is discriminatory in its quality control processes. AT&T Oct. 7 Loops/White PagesNA SCC Ex Parte Letter at 7. Because the LVR is only one of many tools employed by Verizon to ensure accuracy and reliability, we find that AT&T's argument alone does not rebut Verizon's showing of checklist compliance.

See **Bell** Atlantic New York Order, I5 FCC Rcd at 3972, para. 45; Verizon Maine Order, 17 FCC Rcd I 1,660 para. 6.

The ALI Code is 3-6 characters long and appears with the directory listing on a customer service request (CSR). Verizon McLean/Wierzbicki/Webster Decl., para. 104. If a business has multiple lines or a residential customer wants individual listings for each family member, Verizon assigns a separate ALI code to each listing, rather than just to each account. When a competitive LEC changes or deletes a listing they must supply both the (continued....)

a weekly ALI Code Report that contains a list of the competitive LEC's ALI codes for directory listings associated with loop and facilities-based services. Competitive LECs need correct ALI codes in order to properly submit changes or deletions to Verizon for directory listings. Cavalier contends that certain modifications cannot be performed because incorrect ALI codes provided by Verizon result in a mismatch between the ALI code/Telephone Number combination on the LSR and data stored in Verizon's database. Notably, Verizon has demonstrated that this issue is limited to a mere 16 LSRs. each of which were manually processed by Verizon. While, in theory, incorrect ALI codes could prevent Cavalier from making timely changes to the LSR, we note that this issue is isolated and, as such. is not a problem of competitive significance. Notably, Verizon has manually processed the 16 affected LSRs. We believe that this issue alone does not rebut Verizon's showing that its white pages offering is checklist compliant. Although it is not necessary to make our finding of checklist compliance, we also *take* comfort in the fact that Verizon has implemented a forward-looking repair to avoid the distribution of erroneous ALI codes on September 21, 2002.

170. We note that, during the pendency of this application, Cavalier claimed that Verizon provided it with an ALl Code Report that contained additional listings for a billing account number (BAN) not associated with Cavalier. This single incident, however, does not change our conclusion above that Verizon's delivery of ALI codes is consistent with its section 271 obligations. We are reassured by the fact that the incorrect report was caused by events that do not occur in the regular course of business. Verizon explains that the discrepancy was caused during a special project to eliminate duplicate BANs. Additionally, Verizon has quickly taken steps to address the issue including providing additional training for the sole NMC representative responsible for adding the additional BAN. Because this incident represents neither a systemic (Continued from previous page)

account number and the ALI code for that specific listing, which ensures that the correct listing is processed. *Id.* para. 105.

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Verizon Sept. 25 OSS/White Pages Ex Parre Letter at 9
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Verizon Aug. 28 OSS/White Pages Ex Parre Letter Attach. at 7

Cavalier Comments n.12; Cavalier Reply at 10; Verizon McLean/Wierzbicki/Webster Reply Decl., para. 46. At the hearing before the Virginia Hearing Examiner. Verizon assened that Cavalier's errors occurring in 2001 preproduction LVRs were a result of Cavalier not processing the records with the correct ALI code. Cavalier further contends that the ALI code is not provided in "real time" or in a useable format for competitive LECs with large amounts of customer listings. Cavalier Reply at 9.

Verizon McLeadWierzbickiiWebster Reply Decl., para. 46.

Verizon McLean/Wierzbicki/Webster Reply Decl., para. 46.

Verizon McLeadWierzbickilWebster Reply Decl., para. 46.

⁶⁰⁴ Cavalier Reply at 10-11

Verizon Sept. 25 OSS/White Pages Ex Parte Letter at 10.

Verizon Sept. 25 OSS/White Pages Ex Parte Letter at 10.

or on-going problem, we find it does not negate Verizon's showing of checklist compliance for directory listings.

that in Richmond 2001 directory, thirty-four final production errors could be attributed to Verizon, and eight errors were attributable to Cavalier. Cavalier alleges that it *takes* responsibility for errors it creates, but that Verizon takes no responsibility for its errors. Furthermore, Cavalier argues that it *makes* restitution to its omitted customers regardless of whether Cavalier or Verizon was responsible for the error. Verizon, however, asserts that the parties have specified how liability for directory listing errors will be handled in their interconnection agreement. and that Verizon's tariff similarly addresses Verizon's liability for any directory listing errors. Our rules do not address the assignment of liability and responsibility for restitution in these circumstances. We believe that concerns regarding customer compensation are best handled through interconnection negotiations and associated dispute resolution processes, **As** such, this issue does not result in a finding of checklist noncompliance.

V. OTHER CHECKLIST ITEMS

A. Checklist Item 1 – Interconnection

172. Section 271(c)(2)(B)(i) requires the BOC to provide equal-in-quality interconnection on terms and conditions that are just, reasonable and nondiscriminatory in accordance with the requirements of sections 251 and 252.611 Based on our review of the record. we conclude, as did the Virginia Hearing Examiner,''' that Verizon is in compliance with the requirements of this checklist item. In reaching this conclusion, we examine, as in prior section 271 orders, Verizon's performance in providing interconnection trunks and collocation to competing carriers. We find that Verizon has consistently met the vast majority of its performance benchmarks or retail comparison standards for this checklist item.613 We note that no cornenter disputes Verizon's interconnection quality or timeliness. and that the Virginia

⁶⁰⁷ Cavalier Comments at 26.

⁶⁰⁸ Cavalier Comments at 26.

⁶⁰⁹ Cavalier Comments at 26

Verizon McLean/Wierzbicki/Webster Reply Decl., para. 44.

^{611 47} U.S.C. § 271(c)(2)(B)(i).

Virginia Hearing Examiner's Repon at 28.

From April through June, Verizon met its installation appointments for providing interconnection trunks to competitive LECs 100 percent of the time in Virginia. Verizon Lacouturel Ruesterholz Decl., para. 27.

Hearing Examiner found that Verizon's commercial performance in trunk provisioning and maintenance satisfied the checklist.⁶¹⁴

- 173. We also find that Verizon provides interconnection in Virginia at any technically feasible point, including a single point of interconnection within the LATA." as we have required in previous section 271 proceedings. Although some parties argue that Verizon's GRIPS policy frustrates the Commission's rule requiring incumbent LECs to offer competing carriers the ability to interconnect at a single point per LATA, at me conclude that the evidence presented does not demonstrate a violation of our existing rules. As in previous section 271 orders involving Verizon, we need not find in this application whether GRIPS complies with our rules requiring that Verizon offer competing carriers the ability to interconnect at a single point in a LATA. Verizon has demonstrated that it has entered into at least one interconnection agreement in Virginia that does not follow the GRIPS policy. Thus, GRIPS is not the only form of network interconnection available in Virginia.
- 174. Covad also submits that Verizon's failure to provide adequate notice to competitors of the network changes associated with its Packet at Remote Terminal Service

Virginia Hearing Examiner's Report at **25**

See Verizon Lacouture/Ruesterholz Decl., para. 9

See SWBT Texas Order, 15 FCC Rcd at 18390, para. 78; Verizon Massachusetts Order, 16 FCC Rcd at 9092, para. 182.

See Cavalier Comments at 3-6, NTELOS Comments at 9. According to Cavalier, Verizon's Geographically Relevant Interconnection Points (GRIPS) policy creates a distinction between a physical point of interconnection ("POI") and an interconnection point ("IP) that is the demarcation for carriers' financial responsibilities for reciprocal traffic. Cavalier maintains that Verizon's GRIPS policies unfairly shift Verizon's network cost responsibilities to competing carriers in violation of the "equal in quality" requirement of Section 251(c)(2) of the Act and the reciprocal compensation obligations of Section 251(b)(5).

Verizon Lacouture/Ruesterholz Decl.. para. 37. Specifically, Verizon cites to its interconnection agreements with Cox (Verizon Virginia Application. App. O, Vol. 3, Tab 5, Sections 4.1.2 and 4.1.3), Cavalier (Verizon Virginia Application, App. O, Vol. 2. Tab 3, Attachment IV, Section 1.2.2), and WorldCom (Verizon Virginia Application, App. O, Vol. 4, Tab 6, Attachment IV, Section 1.2.2). Id. In the Virginia Arbitration Order, the Bureau concluded that the interconnection language proposed by competing carriers was more consistent than Verizon's GRIPS language with the right of competitive LECs to interconnect at any technically feasible point. Virginia Arbitration Order. para. 53. US LEC maintains that Verizon's recent behavior, including its August I industry letter, evidences an intention to disregard the directive of the Virginia Arbitration Order with respect to the single point of interconnection language to be included in the interconnection agreements that were the subject of the arbitration. US LEC Reply at 3-9. We find US LEC's evidence unpersuasive. Verizon has demonstrated that it has entered into at least one interconnection agreement in Virginia that allows a competing carrier to interconnect at a single physical point in a LATA already.

For the same reasons, we find that Verizon does not violate its reciprocal compensation obligations under the checklist. See 47 U.S.C. $\S 271(c)(2)(B)(xiii)$. See Cavalier Comments at 3-6, NTELOS Comments at 9.

("PARTS")⁶²⁰ rollout is a violation of the Act and the Commission's rules and requires the Commission to reject Verizon's section 271 application." Covad claims that Verizon does not offer competitors nondiscriminatory access to information needed to interconnect with Verizon's PARTS network facilities as required by checklist item one. According to Covad. Verizon failed to adequately notify competitive LECs of its PARTS rollout and the associated network changes. as required by section 251(c)(5) of the Act and section 51.325 et. seq. of the Commission's rules.⁶²² In response, Verizon argues that its network disclosure for PARTS was fully compliant with the Act and Commission rules.⁶²³

175. As **an** initial matter, we note that Covad and WorldCom have filed oppositions to Verizon's PARTS tariff transmittal, pursuant to section 204 of the Act," on a number of grounds including network disclosure violations. The Pricing Policy Division of the Wireline Competition Bureau has suspended and set for investigation Verizon's PARTS tariff. To the extent the parties dispute Verizon's compliance with the notice requirements required under section 251(c)(5), they could also file complaints under section 208 of the Act. We find, however, as a general matter, that issues arising from Verizon's PARTS offering *are* not relevant to our review of Verizon's compliance with the checklist. As the Commission has found in previous section 271 orders, the provision of tariffed interstate access services is not within the scope of a BOC's compliance with the checklist." Therefore, we do not find that the issues raised by Covad surrounding Verizon's PARTS offering are germane to our review of Verizon's compliance with checklist item one.

PARTS gives collocated carriers the ability to use the same facilities that Verizon will use to provide digital subscriber line service through remote rerminals. Verizon LacoutureiRuesterholz Reply Decl., paras. 51-52. Verizon states that PARTS is not currently available in Virginia. Verizon Sept. 25 OSS/White Pages *Ex Parte* Letter at 3.

Covad Comments at 3-4. Covad opposed Verizon's PARTS tariff. See Covad Petition to Reject or, Alternatively, Suspend and Investigate, Verizon Transmittal No. 232, filed Aug. 16, 2002.

Covad Comments at 3-6. Covad alleges that Verizon's notices provided insufficient information for Covad to make operationally ready its own OSS, provisioning processes, retail processes, and marketing, and failed to provide other information pertinent to competing carriers.

⁶²³ See Verizon Aug. 29 PARTS Ex Parte Letter, Attach. at 8-9. See also Verizon LacoutureiRuesterholz Reply Decl., paras. 51-54.

⁶²⁴ 47 U.S.C. § 204.

See Covad Petition to Reject or, Alternatively, to Suspend and Investigate. Verizon Transmittal No. 232, filed Aug. 16,2002: WorldCom Petition to Reject or, in the Alternative, Suspend and Investigate, filed Aug. 16,2002.

Verizon Telephone Companies. Tariff FCC Nos. **I & 11**, Transmittal No. 232, *Order*, DA 02-2140 (Chief, Pricing Policy Division, Wireline Competition Bureau Sept. 3, 2002).

Bell Atlantic New York Order. 15 FCC Rcd at 4127-28, para. 340

- 176. Covad further alleges that Verizon unilaterally imposes higher charges for certain Virginia UNEs than those agreed to in Covad's interconnection agreement. Verizon states in response that Covad has not yet purchased any of the UNEs at issue. Verizon acknowledges that it cannot alter an agreed-upon rate in a contract and states that it will honor the lower rates in Covad's contract with respect to any purchases made by Covad. Verizon's response sufficient. Any remaining disputes over these particular charges would be most appropriately handled in a complaint proceeding since this appears to be a carrier-to-carrier dispute. We have previously stated that such disputes are not generally resolved in our section 271 decisions.
- WorldCom asserts that Verizon is not operationally ready to interconnect local interconnection trunks using DS-3 interfaces everywhere that is technically feasible, including non-intermediate hub locations, as required by the *Virginia Arbitration Order.*" Verizon's obligation to do so has now been finalized in its interconnection agreement with WorldCom. 632 WorldCom alleges that Verizon must show that it has made modifications of its equipment at intermediate hub locations. 633 Verizon states that it is already providing DS-3 interfaces for local interconnection trunks at certain points in its network in Virginia and that it will use the same procedures to provide DS-3 interfaces at other points in its network where technically feasible.⁶³⁴ The Bureau specifically declined to address the modifications, if any, that Verizon must make to its facilities at non-hub offices during the arbitration proceeding and instructed Verizon and WorldCom to exercise their good faith efforts to resolve the matter. 635 If such efforts prove unsuccessful, the Bureau stated that the parties may invoke the dispute resolution process set forth in their interconnection agreement. 656 We find that the dispute resolution process memorialized in the interconnection agreement between Verizon and WorldCom is the appropriate procedure for WorldCom to invoke if it cannot resolve the technical problems associated with interconnection at the DS-3 level at a specific Verizon non-hub office. We conclude that Verizon's legal obligation under its interconnection agreement, combined with its

⁶²⁸ Covad Comments at 19-20.

See Verizon Woltz/Garzillo/Prosini Reply Decl., para. 52.

Verizon Woltz/Garzillo/Prosini Decl., para. 87: Verizon Woltz/Garzillo/Prosini Reply Decl., paras. 5 1-52

WorldCom Comments at 13-14.

⁶³² See Verizon Virginia Reply, App. B, Tab 8

Lener from Keith L. Seat, Senior Counsel, Federal Advocacy, WorldCom. to Marlene H. Donch, Secretary, Federal Communications Commission, WC Docket No. **02-2**14 (filed Oct. 17, 2002) (WorldCom Oct. 17 *Ex Purre*) at 4.

Verizon Virginia Lacouture/Ruesterholz Reply Decl., para. 82. See also Verizon Oct. 22 Operational Readiness Ex Parte Lener at 3.

Virginia Arbrrrarion Order, para. 239.

⁶¹⁶ Id.

operational experience, demonstrate that Verizon is capable of furnishing **DS-3** interfaces for local interconnection at other technically feasible points in its network.

- 178. Collocation Pricing Issue. Cavalier raises a concern regarding collocation pricing, noting the duration of a "stalled state proceeding to examine issues related to this concern.⁶³⁷ Although it acknowledges that it is a party to a collocation settlement agreement between Verizon Virginia and a number of competitive LECs, so that its complaints are moot. Cavalier urges that the concerns it raised are valid and should be addressed, and that an environment "in which pricing and provisioning are determined by the few surviving CLECs being driven into settlement" means that Verizon does not satisfy checklist item 1.⁶³⁸
- The settlement agreement to which Cavalier refers was approved by the Virginia Commission on June 28,2002, subsequent to a petition from multiple parties (not including Cavalier) to resolve issues arising from Verizon's proposed amendments to its collocation tariff in Virginia. Verizon stated that, upon approval of the agreement by the Virginia Commission, Verizon would tile an amended collocation tariff to be effective on one day's notice, so that all competitive LECs in Virginia would benefit from the new terms and conditions. In a letter of June 21, 2002, Cavalier withdrew its opposition to the proposed settlement agreement, requested cancellation of its scheduled hearing on the issue, and noted that it and Verizon had "agreed to resolve amicably the remaining differences in their positions in this proceeding." The Virginia Commission, noting this action by Cavalier, issued an order approving the settlement agreement

Cavalier Comments at 6-7. Cavalier says that during the pendency of this case before the Virginia Commission (from Verizon's filing of the tariff revisions in May 1999 until its withdrawal **of** opposition in June 2002) it raised pricing. provisioning. and other issues with respect to collocation that cast doubt on Verizon's satisfaction of checklist item one. *Id*.

⁶³⁸ Cavalier Comments at 7

Petitioners were Verizon. AT&T. WorldCom, Sprint, NTELOS. and Broadslate. *See* Joint Petition for Approval of settlement Agreement, PUC990101. filed Feb. 2, 2002. The petition notes the history of the proceeding as follows: Verizon filed revisions to its collocation tariff on May 28. 1999; the new tariff went into effect on an interim basis on June 28, 1999. The Virginia Commission allowed an opportunity for comment. and the Virginia Commission staff and other parties filed comments objecting to the revised tariff. On December 21, 2000, WorldCom, AT&T, Sprint, and Verizon filed a proposed settlement agreement; following objections filed by several parties (including Cavalier). the Virginia Commission declined on October 12,2001 to approve this proposed settlement, and instructed Verizon to invite all competitive LECs registered in Virginia to participate in further settlement negotiations. These negotiations took place in November and December 2001. The resulting senlement agreement, with the petitioners as panies, was developed through that process.

⁶⁴⁰ Id. at 2.

Verizon Virginia Application, App. K, Vol. I, Tab 4, (attaching Letter from Stephen T. Perkins, Cavalier Telephone General Counsel, to Joel H. Peck, Clerk, Virginia State Corporation Commission, PUC990101, filed June 21, 2002).

on June 28, 2002, and directing Verizon to file its revised collocation tariff no later than July 15. 2002.⁶⁴²

180. The record indicates that collocation rates were established pursuant to a settlement agreement between Verizon and a number of competitive LECs. The Virginia Commission reviewed and approved the settlement, as did a number of other state commissions. Cavalier does not complain in this proceeding about any particular collocation rate element or any specific TELRIC error, and was. in fact, a party to the settlement. On this record, therefore, we find no clear error by the Virginia Commission with respect to collocation rates.

B. Checklist Item 5 - Unbundled Local Transport

181. Section 271(c)(2)(B)(v) of the competitive checklist requires a BOC to provide "local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services." Based on our review of the record, we conclude, as did the Virginia Hearing Examiner, that Verizon complies with the requirements of this checklist item. Verizon uses the same processes and procedures in Virginia to provide unbundled dedicated and shared transport as it uses in states where it has already received section 271 approval. We are persuaded that Verizon is providing shared transport in substantial volumes and on a

Verizon Virginia Application, App. K, Vol. I, Tab 4, Order Approving Settlement Agreement filed February I, 2002, PUC990101, Virginia State Corporation Commission, dared June 28, 2002.

Substantially similar collocation agreements have been negotiated and approved in Maryland, Pennsylvania, New Jersey, Delaware, and the District of Columbia. See Letter from Ann Berkowitz, Project Manager, Federal Affairs. Verizon lo Marlene H. Dortch, Secretary, Federal Communications Commission, October 3, 2002. Verizon states in this ex pane letter rhat the respective state commissions approved these settlement agreements as follows: Penn. Pub. Util. Comm'n v. Verizon Pennsylvania Inc., Docket No. R-00994697, Opinion and Order (Penn. PUC May 24. 2001) (Pennsylvania Application, App. B, Tab Z); Collocation Tariff Filed Under Transmittal No. 1003 by Bell Atlantic-Maryland, Inc., Order No. 77575 (Maryland PSC Feb. 27,2002); Application of Bell Atlantic-Delaware Inc. For Approval of CLEC Collocation Interconnection Services, PSC Docket No. 99-251, Order No. 5695 (Del. PSC April 10, 2001) (Delaware Application App. F, Tab 5); Filing by AT&T Communications of NJ, L.P., WorldCom, Sprint Communications Company of New Jersey, and Verizon New Jersey Inc. for Approval of a Revision to Tariff B.P.U.-N.J.-No. 4 as Listed in the Appendix Providing for the Revisions to CLEC Collocated Interconnection Service, Docket No. TT01040215, Telecommunications Order Approving Amended Settlement Agreement, (New Jersey Board of Public Utilities Dec. 19.2001); Implementation of the District of Columbia Telecommunications Competition Act of 1996 and Implemenration of the Telecommunications Act of 1996; Formal Case No. 962, Order No. 1979 (DC PSC April 20, 2001).

⁶⁴⁴ 47 U.S.C. § 271(c)(2)(B)(v).

Virginia Hearing Examiner's Report at 124

Verizon Lacouture/Ruesterholz Decl., para. 222,

nondiscriminatory basis.⁶⁴⁷ We also find that Verizon is providing dedicated transport on a timely and nondiscriminatory basis.⁶⁴⁸

- 182. Verizon offers unbundled "dark fiber" in Virginia, pursuant to interconnection agreements, on a first come first served basis. ⁶⁴⁹ Of the 40 dark fiber requests Verizon received from July 2001 through June 2002. Verizon states that it completed all of its orders on time. ⁶⁵⁰ We agree with the Virginia Hearing Examiner that Verizon's dark fiber offerings satisfy the requirements of this checklist item. ⁶⁵¹ We note that OpenBand and Cavalier raise issues related to dark fiber under checklist item 5. Our discussion of all issues related to dark fiber has been consolidated into our discussion of checklist item 4 supra.
- 183. WorldCom alleges that Verizon is not operationally ready to provide two-way trunking on demand, as required by the *Virginia Arbitration Order*. Verizon states that it is already providing two-way trunking in Virginia pursuant to 35 interconnection agreements." We find no basis for WorldCom's unsupported assertions that Verizon is not prepared to provide two-way trunking in Virginia on demand.
 - C. Checklist Item **6** Unbundled Local Switching
- 184. Section 271(c)(2)(B)(vi) of the Act requires that a BOC provide "[l]ocal switching unbundled from transport, local loop transmission, or other services." To satisfy its obligations under this subsection, an applicant must demonstrate compliance with Commission rules relating to unbundled local switching. Based on the record in this proceeding, we conclude. as did the Virginia Hearing Examiner. that Verizon satisfies the requirements of this checklist item in Virginia. The section of the second se

See Verizon Lacouture/Ruesterholz Decl., paras, 232-33.

From April through June. Verizon filled 65 orders for dedicated nanspon in Virginia and missed one appointment. See PR-4-01-3530 (% missed installation appointments). During the same period, Verizon had no open orders for unbundled dedicated transport in a hold status for more than thirty days in Virginia. See PR-8-01. 3530 (% open IOF orders on hold more than 30 days).

WY Verizon Lacouture/Ruesterholz Decl., paras. 234,236.

Verizon Lacouture/Ruesterholz Decl., para.240

Virginia Hearing Examiner's Repon at 124

WorldCom Comments at 13; WorldCom Oct. I7 Ex Parre at 4.

Verizon Virginia Reply at 7-11. See **also** Verizon Oct. 22 Operational Readiness *Ex Parte* Letter at 4.

⁶⁵⁴ 47 U.S.C. § 271(c)(2)(B)(vi).

See 47 C.F.R. § 51.319(c); see also SWBT Texas Order. 15 FCC Rcd at 18520-22, paras. 336-38

Virginia Hearing Examiner's Repon at 127.

- 185. We note that only one commenter, WorldCom. contends that Verizon's provisioning of switching is discriminatory. Although WorldCom alleges that Verizon does not provide customized routing, the dispute more precisely concerns the options that Verizon currently offers WorldCom to carry calls from Verizon's switch to WorldCom's Operator Services and Directory Assistance (OSDA) platform to allow WorldCom to self-provision OS/DA services to its customers. WorldCom alleges that Verizon has failed to comply with the Commission's determination in the Second BellSouth Louisiana Order that a BOC must provide customized routing over Feature Group D (FGD) trunks, absent technical infeasibility." WorldCom argues further that Verizon is still not operationally ready to provide customized routing in the manner required by the Virginia Arbitration Order and has failed to respond to WorldCom's request for a trial."
- 186. Verizon states that it has made available customized routing in Virginia in the same way it has made it available in all other states where it has obtained long distance authority." Verizon further acknowledges that, pursuant to the terms of its interconnection agreement with WorldCom in Virginia. it has a legally binding obligation to provide customized routing of OSDA calls over FGD trunks. Verizon asserts that it agreed during the arbitration to conduct a trial with WorldCom of customized routing of OS/DA calls with FGD signaling, that it has provided a draft trial agreement to WorldCom, and that the trial can begin shortly."
- 187. We reject WorldCom's argument based on our conclusion that Verizon's interconnection agreement with WorldCom is in compliance with the checklist and Commission precedent. In reaching this conclusion, we note that this agreement has been approved by the Bureau pursuant to section 252(e)(6). As Verizon correctly states, Verizon now has a legal

WorldCom Comments at 10-12.

⁶⁵⁸ *Id.* at 12

See Second BellSouth Louisiana Order, 13 FCC Rcd at 20728-29, para. 221. Customized routing permits requesting carriers to designate the panicular outgoing trunks associated with unbundled switching provided by the incumbent that will carry certain classes of traffic originating from requesting carriers' customers. BellSouth Georgia/Louisiana Order, 17 FCC Rcd at 9159 n.960. WorldCom also argues that Verizon does not provide tandem switching as a stand-alone network element. WorldCom Comments at 13. However, Verizon states that it provides access to local switching and tandem switching elements as required by law and that no competitive LEC has requested unbundled tandem switching. Verizon LacoutureRuesterholz Reply Decl., para. 98.

WorldCom Comments 10-12; WorldCom Oct. 17 Ex Parre Lenerat 1-3.

Verizon Oct. 22 Operational Readiness Ex Parte Lener at 1. See Verizon Lacouture/Ruesterholz Reply Decl., para. 93.

Verizon Oct. 22 Operational Readiness Ex Parre Letter at 2

Verizon Oct. 22 Operational Readiness Ex Parre Letter at 2

See Virginia Arbitration Approval Order, para. 2